



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 12-14)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English,
DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,
Transmittals 12-14 with attached transmittal and policy justification.

Dated: March 8, 2012.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

MAR 07 2012

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 12-14, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the United Kingdom for defense articles and services estimated to cost \$300 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

Richard A. Genaille, Jr.
Deputy Director

- Enclosures:
1. Transmittal
 2. Policy Justification



Transmittal No. 12-14

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: United Kingdom
- (ii) Total Estimated Value:

Major Defense Equipment*	\$250 million
Other	\$ <u>50 million</u>
TOTAL	\$300 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 20 F-117-PW-100 engines, engine exchange kits, support equipment, Global Positioning Systems, communications equipment, spare and repair parts, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering, technical, and logistics support services, and all other related elements of program support.
- (iv) Military Department: Air Force (QCY Amd #4)
- (v) Prior Related Cases, if any: FMS Case QCX-\$485M-May10
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None
- (viii) Date Report Delivered to Congress: 7 March 2012

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

United Kingdom – F117-PW-100 Engines

The Government of the United Kingdom (UK) has requested the possible sale of 20 F-117-PW-100 engines, engine exchange kits, support equipment, Global Positioning Systems, communications equipment, spare and repair parts, personnel training and training equipment, publications and technical documentation, U.S. Government and contractor engineering, technical, and logistics support services, and all other related elements of program support. The proposed sale supports the continued UK access to the United States Air Force/Boeing GLOBEMASTER III Sustainment Partnership program supporting the UK's fleet of eight Boeing C-17A GLOBEMASTER III aircraft. The estimated cost is \$300 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to maintain and improve the security of a key NATO ally that has been, and continues to be, an important force for major political stability and economic progress throughout Europe.

The UK was the first foreign customer for the C-17 GLOBEMASTER III cargo aircraft. Continued sustainment of this system by the UK helps alleviate the burden placed on U.S. forces supporting NATO operations. The C-17 provides the UK with increased force protection capability that enhances regional and global stability. The UK will have no problem absorbing these additional engines and support into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be The Boeing Company in Long Beach, California. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this sale will not require the assignment of additional U.S. Government or contractor representatives to the UK.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

[FR Doc. 2012-6041 Filed 03/12/2012 at 8:45 am; Publication Date: 03/13/2012]